

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

JPMORGAN CHASE BANK, N.A.,

Plaintiff/Counter-Defendant,

Case No. 08-13845

v.

HON. AVERN COHN

LARRY J. WINGET and the
LARRY J. WINGET LIVING TRUST,

Defendants/Counter-Plaintiffs.

/

MEMORANDUM FOLLOWING AUGUST 14, 2018 HEARING
AND
ORDER STAYING PROCEEDINGS ON CHASE'S FRAUDULENT TRANSFER
CLAIMS

This is a follow up to the hearing on August 14, 2018 relating to several motions regarding Chase's efforts to collect on an Amended Final Amended against the Winget Trust. See Docs. 790, 791-819. Specifically, the judgment against the Winget Trust is in the amount of \$425,113.115.59.¹ (Doc. 568). The judgment against Winget was limited to \$50 million. (Doc. 568).

Because Winget later satisfied his portion of the judgment by paying \$50 million, Chase began collection efforts against the Winget Trust. During these collection efforts, Chase discovered that Winget revoked the Winget Trust. With the Winget Trust apparently empty and/or non-existent, Chase asserted fraudulent transfer claims against Winget individually. Although Winget later reinstated the Winget Trust and

¹Upon further accounting by Chase, a Second Amended Judgment was entered against the Winget Trust in the amount of \$410,148,384.04. (Doc. 823).

purportedly returned all of its assets, Chase's fraudulent transfer claims remain.²

At this stage of the proceedings, the law relating to collection and satisfaction of judgments governs. See M.C.L. § 600.601, et seq. (Proceedings Supplementary to Judgment) More particularly, because the assets in the Winget Trust are membership interests in several limited liability companies, M.C.L. § 450.4507 (Satisfaction of Judgment out of Member's Membership Interests by Judgment Creditor) is involved. Consistent with this statutory authority, the Court entered fifteen (15) orders granting Chase a charging lien against the Winget Trust's membership interests. See Docs. 839-853.

In light of the entry of the charging orders, and as indicated at the hearing, a stay of proceedings on Chase's fraudulent conveyance claims against Winget individually is appropriate. Accordingly, proceedings on Chase's fraudulent conveyance claims are STAYED pending further order of the Court.

SO ORDERED.

S/Avern Cohn

AVERN COHN
UNITED STATES DISTRICT JUDGE

Dated: 9/15/2018
Detroit, Michigan

²The Court has found in favor of Chase on its claim of constructive fraud as to liability only. (Doc. 732). Chase's claims for damages and actual fraud are pending.